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THE DIRECTOR OF CENTRAL INTELLIGENCE

WASHINGTON, D.C. 20505

National Intelligence Council

2 November 1981

MEMORANDUM FOR: Director of Central Intelligence
Deputy Director of Central Intelligence

THROUGH : Chairman, National Intelligence Council

FROM :
National Intelligence Officer for East Asia

SUBJECT : Secretary Haig's Meeting Friday with Chinese
Vice Premier-Foreign Minister Huang Hua

In case you plan to discuss Huang Hua's visit with Secretary Haig, you should know that Haig's Friday afternoon meeting with Huang Hua was prolonged and difficult. Huang refused to budge from the position on Taiwan arms sales presented Thursday morning to the President. The only agreement reached was to discuss arms sales further at an unspecified time and place.

Comment: The Chinese have deliberately made some stiff demands, but they are undoubtedly willing to compromise. China's main objective is to prevent sale of an FX aircraft; they will probably protest but accept the sale of less advanced weapons. At a minimum they must know that the US is unlikely to negotiate with China on the question of arms sales to Taiwan.



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State Dept. review completed

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